# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:413
ANSWERED ON:23.02.2001
CURRENCY NOTES
NAMDEO HARBAJI DIWATHE

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government have taken measures to check the circulation of fake currency notes;

(b) if so, the details thereof;

(c) the printing capacity of the Government Note Printing Presses working inthe country at present, and the currency notes of different denomination being printed at present; and

(d) the number and value of mutilated currency notes being exchanged by the Reserve Bank of India every year.

## Answer

Minister of State in the Ministry of Finance(Shri Balasaheb Vikhe Patil)

(a)&(b): The measures taken by the Government to check the circulation of fake currency notes are given in the note annexed.

(c): The combined annual note printing capacity of all the Government NotePrinting Presses is 5900 million pieces. Besides, two other Presses under the control of the Reserve Bank of India have a printing capacity of 4770 million pieces eachper annum. The notes in the denominations of Rs.10, Rs.20, Rs.50, Rs.100, Rs.500 and Rs.1000 are being printed.

(d): The number of mutilated currency notes exchanged by the Reserve Bank ofIndia in various denominations during the last 3 years is as under:

(Pieces in lakhs)

| | |
|---|---|
| 1997-98 | 1889 |
| 1998-99 | 1439 |
| 1999-2000 | 1581 |

Data regarding the value is being collected and will be laid on the table of the Sabha.

Annexure

STEPS TAKEN BY GOVERNMENT TO COMBAT COUNTERFEITING

Steps taken by the Ministry of Finance

a) A six-member Fact Finding Committee had been set up under the convenorship of General Manager, RBI, comprising experts on note-printing/currency paper etc., for examining fake notes seized in the past in order to enable the Government to take remedial action vis-â€¦-vis printing and security features.

b) A High Level Technical Committee of Experts in the note printing field has beenconstituted under the chairmanship of Joint Secretary(C&C) for examining the wholegamut of the problem caused by the circulation of fake currency notes, which have been reported upon in the past. The Committee has representation from MHA, NSCS, RBI and the Printing Presses.

c) A proposal for amendment of Cr.PC so as to include the officers of Bank Note Press,Dewas, Currency Note Press, Nashik and State Forensic Laboratories as `Experts` fordetection of suspected fake currency notes has been taken up with the Ministry of Home Affairs.

d) The RBI has been advised to go in for a publicity campaign about security features incorporated in the genuine notes.

e) A proposal for training of Customs Officers posted in the borders to enable them detect fake currency has been taken up with the Ministry of Home Affairs.

Steps taken by the RBI:

a) The security features of Rs.500 denomination notes has been widely publicised in the print media to help the people to detect fake notes.

b) A film on security features of Rs.500 denomination note produced in English, Hindi and other regional languages has been telecast on Doordarshan.

c) For the benefit of the public, a booklet has been brought out which, inter-alia, describes the features of genuine notes. This booklet has been placed on the RBI`s website besides being available to the public for sale at RBI`s Issue Offices.

d) Rs.1000 denomination notes and new design Rs.500 denomination notes with advanced security features have been introduced.

Steps taken by the Ministry of Home Affairs:

a) CBI has created a special unit for exclusive investigation of counterfeit currency note cases.
b) The BSF has alerted its forward troops to be more vigilant in checking the smuggling of notes across the border.
c) Instructions have also been issued to all State Government, particularly border states, to be more vigilant.
d) State Governments have been instructed to furnish information on recovery/seizure offake notes to NCRB regularly in order to enable the NCRB to create a data bank on the criminal/gangs operating in the field including their modus operandi.